



## **City of Sunnyvale**

### **Sunnyvale Managers Association (SMA) Employee Benefits**

#### **SALARY SCHEDULE**

The City maintains a salary schedule with the minimum of the range set at 85% of the range maximum (control point). Appointments are normally made at 85% of the control point. After successful completion of a thirteen pay period probationary period, consideration is given for a five percent (5%) merit increase. Consideration for each subsequent five percent (5%) merit increase is given following the completion of twenty-six (26) pay periods from the prior increase in salary, up to but not exceeding the control point.

#### **PAY SCHEDULE**

City employees are paid bi-weekly on alternating Thursdays.

#### **WORK SCHEDULE**

An alternative work schedule (9/80) may be available, depending on assignment.

#### **BENEFITS**

Benefits are provided to all employees and vary by bargaining unit and/or employee group. Benefits are subject to change and do not constitute a contract.

#### **HEALTH AND WELFARE BENEFITS**

The City of Sunnyvale provides three (3) tiers of coverage that can be selected independently for the medical, dental and vision plans: employee only, employee plus one dependent, and employee plus two or more dependents (family coverage). The City provides a generous medical premium contribution plus a cafeteria contribution that, when combined, may pay 100% of the cost toward medical, dental and vision coverage for employees plus their eligible dependents.

##### **Medical**

Employees are eligible to enroll in a CalPERS medical plan effective the first of the month following their hire date. The following plans are available: Anthem Select HMO, Anthem Traditional HMO, Blue Shield Access+ HMO, Blue Shield Net Value HMO, HealthNet SmartCare HMO, Kaiser HMO, United Healthcare HMO, PERS Choice PPO, PERS Select PPO and PERS Care PPO.

The City pays a CalPERS required Minimum Employer Contribution (MEC) of \$757.97 monthly toward the cost of a CalPERS medical plan and provides an additional monthly cafeteria contribution of \$275.89 (employee only), \$1,309.75 (employee plus one dependent) or \$1,930.07 (employee plus family) that is used to pay the difference between the Minimum Employer Contribution and actual medical premium cost. These amounts may cover employee plus family benefits depending upon plan selection. Surplus cafeteria plan contributions are not eligible for cash payment.

##### **Cash-in-Lieu**

Employees who waive medical coverage entirely are eligible to receive at least \$82.33 monthly and up to a maximum amount of \$213.42, upon proof of other medical coverage.

##### **Dental**

Delta Dental PPO (Preferred Provider Organization) and Delta Dental DMO (Dental Maintenance Organization) plans are available for enrollment on the first of the month following hire date. The premium for the employee plus all eligible dependents is paid by the City.

The Delta Dental PPO plan offers a voluntary buy-up option that enhances coverage for an additional cost and is paid 100% by the employee. Surplus cafeteria plan contributions may not be applied to the buy-up cost.

Dental cards are no longer mailed to employees, as you can simply use your own social security number to verify your coverage eligibility with your dental provider. If you would like a dental insurance card, you can print a card by registering on the Delta Dental website [www.deltadental.com](http://www.deltadental.com).

### **Vision**

Employees are enrolled in the Vision Service Plan (VSP) effective the first of the month following their hire date. The premium for the employee plus all eligible dependents is paid by the City.

VSP provides a voluntary buy-up option that enhances coverage for an additional cost that is paid 100% by the employee. Surplus cafeteria plan contributions may not be applied to the buy-up cost.

VSP does not provide employees with member cards. You can simply use your social security number to verify your coverage with your vision provider. Plan information can be found at [www.vsp.com](http://www.vsp.com).

### **Life Insurance/Accidental Death & Dismemberment (AD&D)**

The City shall provide life insurance equal to one times the annual base salary for employees, up to \$175,000. In addition, the employee has the option of buying additional insurance, referred to as Supplemental Life/AD&D insurance of one times his/her annual base salary up to \$250,000. Coverage is subject to the terms and conditions of the insurance policy and to current tax law provisions. If an employee chooses to buy supplemental insurance, the additional cost is paid 100% by the employee on an after-tax basis.

### **Long-Term Disability (LTD)**

LTD insurance provides income replacement of 67% of monthly salary to a cap of \$11,000 per month after 90 days of disability. The premium is paid by the City. Coverage begins after completion of twenty-six (26) consecutive pay periods of service.

### **Employee Assistance Program (EAP)**

Up to seven (7) paid in person counseling sessions per fiscal year for employees and eligible dependents plus unlimited telephonic sessions for work and life services are available through the EAP. The premium is paid by the City.

### **Flexible Spending Accounts**

The City offers a Healthcare Spending Account with an annual election limit of \$2,400 and a Dependent Care Spending Account with an annual election limit of either \$2,500 or \$5,000. Both spending account election limits are regulated by the IRS and the Dependent Care limit is determined based on an employee's income tax filing status.

### **Commuter Transportation Benefits**

The Commuter transportation benefits plan allows you to set aside money on a pre-tax basis to pay for qualified work-related transportation expenses for mass transit, van pools, and parking. The monthly election limit is regulated by the IRS and fluctuates periodically.

### **Premium Conversion**

Employee costs for medical, dental and vision premiums are automatically deducted from pay before taxes, thereby, reducing taxable income and increasing take home pay.

### **Retiree Medical Contribution**

The City will continue to contribute the CalPERS required Minimum Employer Contribution for SMA employees who retire from Sunnyvale and elect CalPERS Basic or Medicare Supplement medical plan coverage.

The Minimum Employer Contribution is paid directly to CalPERS, on behalf of the retiree. In addition, based on management appointment date, length of service and medical plan selected, SMA retirees are eligible to receive a monthly reimbursement from the City of 50% - 100% of the difference between the Minimum Employer Contribution paid to CalPERS and the retiree's premium cost that is deducted from CalPERS retirement earnings. The City does not contribute to the cost of Medicare plan premiums that retirees pay to the Social Security Administration.

## **RETIREMENT**

### **CalPERS Retirement Benefits for Classic Members**

Classic members as referenced in this benefit summary are:

- City of Sunnyvale employees hired before January 1, 2013, or
- Employees hired on or after January 1, 2013 who are existing CalPERS members, or
- Employees hired on or after January 1, 2013 who are members of a reciprocal retirement system, as defined by CalPERS.

The City contracts with CalPERS to provide the Local Miscellaneous benefit formula of 2% @ 60 for classic employees hired on or after December 23, 2012 (Tier 2) and 2.7% @ 55 for all other classic members (Tier 1). Tier 2 classic employees contribute four percent (4%) of the seven percent (7%) employee contribution from pay on a pre-tax basis pursuant to 414(h)(2). Tier 1 classic employees contribute five percent (5%) of the eight percent (8%) employee contribution from pay on a pre-tax basis pursuant to 414(h)(2). The City pays the remaining three percent (3%) employee contribution and reports the value to CalPERS as additional compensation. Final compensation, for purposes of calculating the retirement benefit, is calculated on the highest average pensionable compensation earned by a member during a period of 12-consecutive months. This is also referred to as the single highest year average. The minimum retirement age is 50 and the maximum benefit age is 55 for Tier 1 and 63 for Tier 2.

Effective July 3, 2016, classic employees will pay an additional one percent (1%) of the employee contribution that is currently paid by the City. At that time, the City will pay the remaining two percent (2%) employee contribution. Effective July 2, 2017, classic employees will pay an additional one percent (1%) of the employee contribution that is currently paid by the City. At that time, the City will pay the remaining one percent (1%) employee contribution.

Classic employees who first became members on or after July 1, 1996 are subject to an annual compensation limit. The 2015 limit is \$265,000. Employees do not pay contributions on amounts exceeding this limit and compensation earned beyond the limit will not be considered when CalPERS calculates the single highest year pensionable compensation average. The City does not participate in Social Security but does contribute to Medicare.

### **CalPERS Retirement Benefits for New Members**

New members are:

- Individuals who have never been a member of any public retirement system prior to January 1, 2013, or
- Individuals who moved between retirement systems with more than a six (6) month break in service.

In compliance with the California Public Employees' Pension Reform Act of 2013 (PEPRA), new members will receive a Local Miscellaneous benefit formula of 2% @ 62. Employees contribute 50% of the normal cost which is subject to change on a fiscal year basis as determined by CalPERS. The 2015/2016 employee contribution is six and one quarter percent (6.25%). The employee contribution from pay is on a pre-tax basis pursuant to 414(h)(2).

Final compensation, for purposes of calculating the retirement benefit, is calculated on the highest average pensionable compensation earned by a member during a period of 36-consecutive months. This is also referred to as the 3-year average. The minimum retirement age is 52 and the maximum benefit age is 67.

New members are subject to an annual compensation limit that is regulated by CalPERS and changes periodically. Employees do not pay contributions on amounts exceeding the annual compensation limit, and compensation earned beyond the limit will not be considered when CalPERS calculates the 3-year pensionable compensation average. The City does not participate in Social Security but does contribute to Medicare.

#### **457 and 401(a) Deferred Compensation**

The City maintains several 457 deferred compensation programs that are available to all employees and a 401(a) deferred compensation program available only to new management employees. The City contributes two percent (2%) of an employee's gross pay to the 401(a) plan. If an employee doesn't enroll in the 401(a) plan, the two percent (2%) contribution is applied to the 457 plan.

Note: The 401(a) program is not available to employees who promote into management positions from a Non-management City position.

#### **ANNUAL LEAVES**

Leaves are negotiated through collective bargaining, and therefore, may differ slightly for each bargaining unit. Please refer to the individual MOU for further details. Additionally, upon separation from the City, all leaves that are eligible for cash out will be paid to the employee on his/her final paycheck.

#### **Paid Time Off (PTO)**

PTO accrues on a pay period basis, according to the accrual schedule below:

Pay Periods of Service	Years Employed	Hours Accrued Per Pay Period	Accrual Rate Hours per Year
1-26.99	0 to 1	6.5	169
27-130.99	1+ to 5	7.5	195
131-260.99	5+ to 10	9.0	234
261-442.99	10+ to 17	10.5	273
443-650.99	17+ to 25	11.5	299
651+	25+	12.0	312

Employees will accrue at the above rates while their PTO balance is less than 870 hours. Once the PTO balance is at least 870 hours, the employee will accrue at the below rates up to the maximum of 1,040 hours.

Pay Periods of Service	Years Employed	Hours Accrued Per Pay Period	Accrual Rate Hours per Year
1-130.99	0 to 5	5.0	130
131-650.99	5+ to 25	6.5	196
651+	25+	8.0	208

Upon date of hire, Paid Time Off (PTO) leave shall begin to accrue at the end of the first pay period. As a result, hours accrued in a particular pay period are not available within the same pay period. Please note that PTO leave cannot be used in an employee's first pay period of employment.

Employees have the option to cash-out up to 80 hours of PTO in the last pay of October each calendar year, so long as a minimum balance of 80 hours is kept following the cash-out. To be eligible to cash-out PTO, the employee must submit an irrevocable election form specifying the number of hours to be cashed-out in the preceding calendar year.

**Paid Medical Leave (PML)**

Up to ninety (90) days of paid leave is provided for each unrelated non-work illness or injury. During an employee's first twenty-six (26) pay periods of service, the employee will use PTO in lieu of PML. After twenty-six (26) pay periods of service, the first one hundred (100) hours of time off is deducted from PTO. Effective July 1, 2017, the first one hundred twenty (120) hours of time off will be deducted from PTO. Subsequent consecutive hours will be applied to PML.

**Administrative Leave**

Fifty (50) hours of Administrative leave is credited at the beginning of each calendar year to be used for any leave purpose. For newly hired SMA employees, the hours will be credited after completing thirteen (13) pay periods of service. Administrative leave is not pro-rated for new or terminating employees and unused leave does not roll over into the next calendar year nor is the balance paid out in cash.

**Floating Holiday Leave**

Thirty (30) hours of Floating Holiday leave is granted at the beginning of each calendar year to be used for any leave purpose. Leave is pro-rated for new and terminating employees. Upon date of hire, Floating Holiday is credited to an employee's leave bank at the end of his/her first pay period. As a result, Floating Holiday leave cannot be used in an employee's first pay period of employment. Unused Floating Holiday leave at the end of the calendar year will be paid out in cash.

**Holiday Leave**

The City of Sunnyvale observes a total of eleven (11) holidays per calendar year, as follows: New Year's Day, Martin Luther King Jr. Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, Christmas Day, and New Year's Eve.

**Bereavement Leave**

Up to forty (40) hours is provided for the death of an eligible family member. The City reserves the right to require proof of death from the employee and all bereavement leave must be used within six (6) calendar months of the date of the eligible incident, except employees who are designated as the executor for a qualifying decedent's estate may seek approval of the Human Resources Director to use bereavement beyond this limitation.

**Jury Duty Leave**

Full pay is provided when called to serve on jury duty. Proof of service is required.

**ADDITIONAL BENEFITS**

Auto Allowance (eligible positions)

Credit Union Membership

Tuition Reimbursement

Direct Deposit

Years of Service Awards